NEWS ANALYSIS 1-1452 SEPTEMBER 16, 1976
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THE FOREIGN BRIBERY ISSUE

ANNCR: THE UNITED STATES SENATE HAS UNANIMOUSLY APPROVED A BILL WHICH PROVIDES FINES AND PRISON TERMS FOR ANY AMERICAN BUSINESSMAN WHO BRIBES FOREIGN OFFICIALS. THE HOUSE HAS YET TO CONSIDER THIS LEGISLATION -- AND MAY NOT FIND TIME TO ACT ON IT BEFORE ADJOURNMENT NEXT MONTH. NEWS ANALYST FRED GALVAN HAS THESE OBSERVATIONS:

VOICE: THE DISCLOSURE SOME MONTHS AGO BY LOCKHEED CORPORATION--A LEADING AMERICAN AIRCRAFT MANUFACTURER--THAT IT HAD BRIBED OFFICIALS IN SEVERAL COUNTRIES TOUCHED OFF AN INTERNATIONAL FUROR WHOSE REPERCUSSIONS ARE STILL BEING FELT. HERE IN THE UNITED STATES THE LOCKHEED CASE NOT ONLY GENERATED CONSIDERABLE REVULSION AMONG AMERICANS GENERALLY, BUT PRODUCED ACTUAL LEGISLATION IN THE FORM OF TWO BILLS TO PREVENT ITS RECURRENCE.

ONE SUCH BILL IS THE MEASURE THE SENATE APPROVED UNANIMOUSLY YESTERDAY (WEDNESDAY). ITS PUNITIVE ASPECTS FOUND SUPPORT AMONG BOTH DEMOCRATS AND REPUBLICANS--DESPITE ADMINISTRATION OBJECTIONS TO SOME OF ITS PROVISIONS. THE WHITE HOUSE AND THE STATE AND TREASURY DEPARTMENTS, WHILE CONDEMNING BRIBERY AS A TOOL OF FOREIGN BUSINESS, OBJECT TO THE SENATE BILL'S OUTRIGHT BAN ON OVERSEAS BRIBES BECAUSE IT APPEARS TO BE UNENFORCEABLE. MOREOVER, THESE CRITICS SAY, UNILATERAL ACTION BY THE FEDERAL GOVERNMENT AGAINST ALLEGED MISDEEDS OF AMERICAN BUSINESSMEN DEALING WITH FOREIGN OFFICIALS COULD HAVE SERIOUS INTERNATIONAL POLITICAL REPERCUSSIONS. AND INSTEAD THEY HAVE PROPOSED LEGISLATION CALLING ON ALL AMERICAN COMPANIES OPERATING OVERSEAS TO DISCLOSE ALL MAJOR CORPORATE PAYMENTS MADE TO SECURE FOREIGN BUSINESS. THE ADMINIS-

TRATION BILL WOULD LEAVE PENALTIES UP TO THE INTERESTED DEPARTMENTS OF THE FEDERAL GOVERNMENT.

THAT GOVERNMENTS AND BUSINESSMEN AROUND THE WORLD WOULD LIKE TO AVOID A RECURRENCE OF INCIDENTS SUCH AS THE LOCKHEED CASE IS OBVIOUS FROM THE REPERCUSSIONS IT SET OFF. IN THE NETHERLANDS, IT ROCKED THE FOUNDATIONS OF ITS MONARCHIAL POLITICAL SYSTEM WITHOUT, HOWEVER, OVERTURNING IT. IN JAPAN, THE REPERCUSSIONS CAUSED THE WORST CRISIS IN THE RULING LIBERAL-DEMOCRATIC PARTY'S TWENTY-ONE YEAR HISTORY. PREMIER MIKI HAS ANNOUNCED A CABINET RESHUFFLE OVER THE SPLIT CAUSED IN PARTY RANKS OVER HIS HANDLING OF THE LOCKHEED SCANDAL. FORMER PREMIER TANAKA AND OTHER PROMINENT JAPANESE STAND INDICTED IN CONNECTION WITH IT.

OF COURSE, CAUGHT IN THE MIDDLE OF ALL THIS IS THE AMERICAN BUSINESSMAN WHO FINDS HIMSELF COMPETING IN SOME COUNTRIES AGAINST REPRESENTATIVES OF OTHER FOREIGN FIRMS WHO GO ALONG WITH THE TACITLY-ACCEPTED SYSTEM WHEREBY PAYMENTS TO FOREIGN OFFICIALS IN ORDER TO SECURE BUSINESS IS A WAY OF LIFE.

IN SUM, WHAT THE LOCKHEED CASE HAS POINTED UP IS THAT WHAT IS NEEDED TO PUT INTERNATIONAL BUSINESS ON A FAIR, HONEST BASIS IS A TIGHTLY WRITTEN CODE OF CONDUCT FOR BUSINESSMEN AND OFFICIALS ALIKE. THE UNITED NATIONS HAS BEEN WORKING ON THIS FOR SOME MONTHS--AND IT MAY BE CONSIDERED AT THE NEXT GENERAL ASSEMBLY WHICH STARTS NEXT WEEK (9/21). THE CONGRESS AND THE WHITE HOUSE--EACH IN ITS OWN WAY -- ARE TRYING TO DEAL WITH THE PROBLEM LARGELY ON THE SAME BASIS THAT THE CONDUCT OF BUSINESSMEN IS REGULATED IN THIS COUNTRY. HOW SOON BOTH CODES OF CONDUCT--THE INTERNATIONAL AND THE NATIONAL--WILL COME INTO OPERATION IT IS DIFFICULT TO SEE AT THIS TIME. BUT THAT SOME SORT OF REGULATION OF INTERNATIONAL BUSINESS

IS COMING IS ALMOST A CERTAINTY--AS MOST BUSINESSMEN ENGAGED IN THAT TRADE RECOGNIZE AND ALREADY ARE SUPPORTING. FOR IF LOCKHEED PROVED ONE THING IT IS THAT BAD BUSINESS PRACTICES BEGET BAD BUSINESS.

PCA/FFG